

Since my reappointment to the charge of this district I have visited nearly the whole of the back-country settlements, and have ascertained their requirements and general progress and condition. I spent sixty days on this duty, and travelled over three thousand miles. I extended my inspections as far as Pipiriki, Kaitieke, Tokaanu, Moawhango, and Akitio, including the Awarua and Waimarino Blocks, the Forty-mile Bush and Eastern Puketoi country, and the village settlements; but I have still to visit some of the older settlements and one or two of the new. I am therefore in a position to understand and appreciate the settlers' wants, and to deal with the numerous questions affecting them and their holdings.

I was surprised to find that roads and settlement had been extended into the wild back-country which I had known in its virgin state six years previously. Great credit is due to those settlers who have gone so far back to carve out homes in the wilderness. It is true that numbers of the farm-homestead blocks have not been occupied and improved as was expected—or, indeed, as is required by law; but, as the men who lacked means and experience to cope with the hardships, drawbacks, and very real difficulties of back-country life have mostly withdrawn, it is anticipated that their places will be filled by a better class, and that those settlers who are persevering and who have proved their courage and *bona fides* will, where advisable, enlarge their holdings. They will require proper road-access, and generally a certain measure of employment during some years of their struggle to create homes for themselves and their families. Many of the homesteads I visited have been established under extraordinary difficulties. Many families are suffering from deficient house-accommodation, are in want of reasonable facilities of access, and are labouring under the drawbacks of having few, if any, neighbours, no available church, school, or store, or the hundred and one advantages of the older-settled districts. Time, however, and due effort on the part of all concerned, will doubtless remedy present deficiencies, overcome obstacles, and accomplish in these latter settlements a full measure of substantial and prosperous occupation. One step towards this object is to compel equal compliance by all selectors with the conditions of improvement and occupation. The Land Board is giving its attention to this. Another is to provide road-access as fast as the progress and requirements of the settlements demand. This would also afford employment for the settlers at certain seasons when they could spare time and leave their holdings,

I am of opinion also that encouragement should be offered to a limited number of settlers of sufficient means to take up suitable areas amongst the multitude of 100- and 200-acre lots, so as to supplement the facilities for employment of labour, to lead in the improvement of methods, introduction of superior stock, machinery, &c., and to combine with the smaller settlers in all matters affecting the advancement and welfare of themselves and the district.

With respect to the village settlements, nearly every one of which I have visited, I have to report that their evident progress and improvement generally are very satisfactory. The failures have been in every case due to circumstances beyond the control of the villagers.

Revenue.—The revenue collected during the year, inclusive of £2,222 14s. received for sales in the Wanganui Harbour Board Endowment Block, amounted to £71,612 7s. 6d., being £12,707 7s. 6d. over the estimate, and £2,169 8s. 11d. in excess of last year's receipts. This is principally due to a very large amount received on account of perpetual leases made freehold, which realised over £11,500 above the estimate.

Arrears.—The payments in arrear at the end of the year amounted to £2,686 4s. 4d., due by 277 selectors. This is a very considerable decrease on last year's return, which showed £4,515 8s. 6d., due by 417 selectors. In dealing with the question of enforcement of payments, consideration is given by the Board to the circumstances of each selector. Extension of time has been allowed in every instance where good and sufficient reasons have been advanced by the tenant; but the Board has insisted upon payment by all who are believed to be in a position to meet their obligations. Those in this category who fail to pay, and those who neglect to acknowledge the Board's notices, are being summarily dealt with, and their leases are being cancelled.

Forfeitures.—The following table shows the forfeitures which have taken place during the year:—

System.	Number.	Area.		
		A.	R.	P.
Deferred payments	1	590	0	0
Occupation with right of purchase	5	1,208	0	0
Lease in perpetuity	1	200	0	0
Village homestead, lease in perpetuity	26	1,039	0	1
Village-homestead special settlement	2	41	0	14
Farm-homestead special settlement	105	21,192	3	24
Improved farm settlements	2	220	0	0
Small grazing-runs	1	3,150	0	0
Miscellaneous leases	3	70	0	32
Totals	146	27,711	0	31